



**NORTHERN CEMENT COMPANY
(HOLDING COMPANY) - CEMENT
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2025**

**NORTHERN CEMENT COMPANY (HOLDING COMPANY) - CEMENT
PUBLIC SHAREHOLDING COMPANY
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INDEPENDENT AUDITOR'S REPORT

**TO THE SHAREHOLDERS
NORTHERN CEMENT COMPANY (HOLDING COMPANY) - CEMENT
PUBLIC SHAREHOLDING COMPANY
AMMAN - JORDAN**

Opinion

We have audited the consolidated financial statements of, which comprise the consolidated statement of Northern Cement Company (holding company) - cement financial position as of 31 December 2025, consolidated statement of other comprehensive income, consolidated statement of changes in equity, and consolidated cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Northern Cement Company (holding company) - cement as of 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements in Jordan that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion on these financial statements, we do not provide a separate opinion on these matters. The audit procedures related to each of the matters described below are also included.

Raw material inventory	
Key Audit Matter	How the Key Audit Matter Was Addressed
<ol style="list-style-type: none"> 1. The amount for the raw materials was 48,503,287 JD as at 31 December 2025, (2024: 51,189,992 JD). 2. The the inventory includes raw materials (Clinker) in the form of piles in yards and hangars set up for this purpose. Whereas, determining the weight of this stock is not practically possible. The management estimates the available quantities at the year-end by measuring the stockpiles and converting the measurements into unit volumes using the stability angle and the quantitative density. To do this, management assigns an independent inspection expert to estimate quantities at the year end. With reference to the importance of inventory balance and related valuations and assumptions used, this matter was considered a key audit matter. 	<ol style="list-style-type: none"> 1. Attending the physical inventory count held by the group and the independent inspection expert. 2. Obtaining the stock inventory report submitted by the independent inspection expert regarding the stock of raw materials, especially clinker. 3. Evaluating the design and effectiveness of internal control procedures for the inventory accounting cycle. 4. Evaluating the reasonableness of the measurements of inventory piles made by management and experts during the physical inventory and recalculating the conversion of piles into quantities. 5. Evaluating the appropriateness and adequacy of disclosures related to inventory in the consolidated financial statements. 6. Testing the validity of inventory measurement at lower of cost or net realizable value.



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Revenue Recognition	
Key Audit Matter	How the Key Audit Matter Was Addressed
<ol style="list-style-type: none"> 1. The Group focuses on revenue as one of its main performance measures, and given the importance of the amounts and the geographical diversity of the Group's operations and the ease with which these revenues are exposed to the risks of overstatement in value and fraud, we consider the revenue recognition as a key audit matter. 2. Revenues are recognized when the Group meets the performance obligations in accordance with the contracts signed with customers when the goods are sold to customers and the invoice is issued, which usually occurred at a specific point in time. 	<ol style="list-style-type: none"> 1. The audit procedures included an assessment of the Group's accounting policies for revenue recognition in accordance with the International Financial Reporting Standards. We also tested the Group's controls around revenue recognition and key controls within the revenue cycle. 2. We have tested the accuracy of revenue recognition by selecting a sample of sales invoices and match them with contracts and selling prices agreed upon. 3. We have tested a sample of revenues journal entries recorded during the year based on predetermined standards. 4. We have selected a sample of revenues before and after year-end to ensure proper recording in the proper period. 5. We have also performed detailed revenue analysis using financial and non-financial information.

Other Information

Management is responsible for the other information. The other information comprises of the information stated in the Annual Report and does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information when it becomes available to us and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

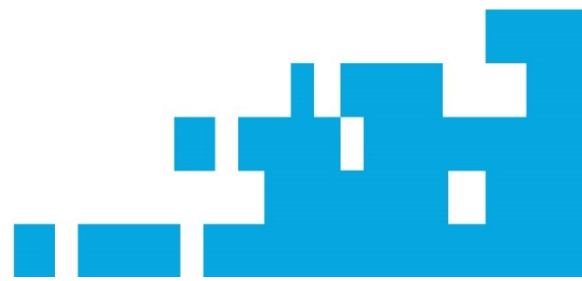
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the company ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

- Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.
- Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists.
- Misstatements can arise from fraud or error and are considered material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
- As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidenced obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation; structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit and we remain solely responsible for our audit opinion.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any material deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Northern Cement Company (holding company) - cement maintains proper accounting records during 2025, duly organized and in line with the accompanying consolidated financial statements, and we recommend that they be approved by the General Assembly shareholders.

Amman – Jordan
15 March 2026

Nasim Shahin
License No. 812



**NORTHERN CEMENT COMPANY (HOLDING COMPANY) - CEMENT
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2025**

		31 DECEMBER 2025	31 DECEMBER 2024
	Notes	JD	JD
Assets			
Current Assets			
Cash and cash equivalents	4	2,296,721	2,491,788
Checks under collection		4,003,140	7,443,918
Account receivable	5	4,823,669	4,234,122
Due from related parties	6	414,663	212,965
Inventory	7	54,267,673	57,826,161
Prepaid expenses		587,032	580,831
Other debit balances	8	1,210,615	1,121,712
Prepayments		163,408	110,952
Total Current Assets		67,766,921	74,022,449
Non-Current Assets			
Property, plant and equipment	9	25,989,679	26,987,203
Intangible Asset	10	167,940	231,485
Projects under construction	11	7,825,826	2,574,129
Investment in associates	12	2,889,438	2,509,081
Total Non-Current Assets		36,872,883	32,301,898
Total Assets		104,639,804	106,324,347
Liabilities and Equity			
Current Liabilities			
Post dated cheques		57,389	9,834
Accounts payable		3,425,846	1,737,032
Income tax provision and national contribution	13	270,522	487,748
Shareholders deposits		3,173,340	3,173,094
Other credit balances	14	2,512,031	1,800,028
Total Current Liabilities		9,439,128	7,207,736
Non- Current Liabilities			
Due to related parties	6	23,359,468	27,623,662
Provision for employee benefits		1,348,759	1,054,457
Total Non-Current Liabilities		24,708,227	28,678,119
Total liabilities		34,147,355	35,885,855
Equity	15		
Share Capital		55,000,000	55,000,000
Statutory reserve		13,750,000	13,738,386
Other Equity		(301,520)	(282,680)
Retained earnings		2,043,969	1,982,786
Total Equity		70,492,449	70,438,492
Total Liabilities and Equity		104,639,804	106,324,347

The accompanying notes are an integral part of these consolidated financial statements

**NORTHERN CEMENT COMPANY (HOLDING COMPANY) - CEMENT
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
31 DECEMBER 2025**

		31 DECEMBER 2025	31 DECEMBER 2024
	Notes	JD	JD
Sales		52,075,196	48,929,439
Cost of Sales	16	(46,613,064)	(43,376,798)
Gross profit		5,462,132	5,552,641
Selling and distribution expenses	17	(774,680)	(946,541)
General & Administrative expenses	18	(2,125,879)	(2,288,486)
Operating profit		2,561,573	2,317,614
Company's share of profits from investments in associate	12	399,197	491,035
Other revenues		69,467	318,431
Profit for the year before income tax		3,030,237	3,127,080
Income tax and national contribution	13	(661,097)	(698,888)
Profit for the year		2,369,140	2,428,192
Other comprehensive income items:			
Share of other comprehensive income of associates	12	(18,840)	1,069
Profit and Comprehensive Income for the year		2,350,300	2,429,261
Basic earnings per share for the year		0.043 JD	0.044 JD

The accompanying notes are an integral part of these consolidated financial statements

**NORTHERN CEMENT COMPANY (HOLDING COMPANY) - CEMENT
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
31 DECEMBER 2025**

	Share Capital JD	Statutory reserve JD	Others Equity JD	Retained earnings JD	Total JD
31 December 2023	55,000,000	13,405,583	(283,749)	3,512,993	71,634,827
Profit and comprehensive Income for the year	-	-	-	2,428,192	2,428,192
Share of other comprehensive income of associates	-	-	1,069	-	1,069
Transfers	-	332,803	-	(332,803)	-
Dividends	-	-	-	(3,625,596)	(3,625,596)
31 December 2024	55,000,000	13,738,386	(282,680)	1,982,786	70,438,492
Profit and comprehensive Income for the year	-	-	-	2,369,140	2,369,140
Share of other comprehensive income of associates	-	-	(18,840)	-	(18,840)
Transfers	-	11,614	-	(11,614)	-
Dividends	-	-	-	(2,296,343)	(2,296,343)
31 December 2025	55,000,000	13,750,000	(301,520)	2,043,969	70,492,449

The accompanying notes are an integral part of these consolidated financial statements

**NORTHERN CEMENT COMPANY (HOLDING COMPANY) - CEMENT
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED STATEMENT OF CASH FLOWS
31 DECEMBER 2025**

		31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
	Notes		
<u>Operating Activities</u>			
Profit for the year before income tax		3,030,237	3,127,080
<u>Adjustments</u>			
Depreciation & Amortization	9,10	1,396,911	1,511,485
Company's share of profits from investments in associate	12	(399,197)	(491,035)
Profit from sale Fixed Assets		(1,075)	(52,970)
Profit from sale investments in associate		-	(99,222)
<u>Change in operating assets and liabilities</u>			
Accounts receivables		(589,547)	1,540,710
Checks under collection		3,440,778	1,598,553
Inventory		3,558,488	(2,813,188)
Prepaid expenses & Other debit balances		(95,104)	286,331
Prepayments		(52,456)	748,241
Accounts payable		1,688,814	(145,642)
Other credit balances & Provision for employee benefits		1,006,305	477,829
Paid income tax	13	(878,323)	(940,873)
Net Cash flow from Operating activities		12,105,831	4,747,299
<u>Investing activities</u>			
Purchases of property plant and equipment	9	(339,067)	(1,131,508)
Proceeds from Sale of Fixed Assets		4,300	89,927
Proceeds from Sale of investments in associate		-	140,000
Projects under construction		(5,251,697)	(7,171)
Net Cash flow used in investing activities		(5,586,464)	(908,752)
<u>Financing activities</u>			
Post dated cheques		47,555	(336,132)
Due to related parties		(4,264,194)	(2,051,521)
Due from related parties		(201,698)	(155,494)
Shareholders deposits		246	60,265
Dividends		(2,296,343)	(3,625,596)
Net Cash flow used in financing activities		(6,714,434)	(6,108,478)
Net change in cash and cash equivalents		(195,067)	(2,269,931)
Cash and cash equivalents at the beginning for the year	4	2,491,788	4,761,719
Cash and cash equivalents at the ending for the year	4	2,296,721	2,491,788

The accompanying notes are an integral part of these consolidated financial statements

1) General

- The Company was registered at the Ministry of Industry and Trade as a Jordanian public shareholding limited company under No. (464) on 1 July 2010.
- Northern Cement Company is a public shareholding with authorized and paid-up capital of (55,000,000) JOD capital. The company's head office is at Amman – Abdali Boulevard, and the factory is at South Amman Al-Muwaqqar.
- The company is primarily involved in clinker industry and grinding, cement industry, implementation of other industrial projects and purchasing lands as necessary in addition to other objectives mentioned in registration record.

Subsidiaries:

- White Stars for Mining Investments is a limited liability company owned 100% by the Cement company, with paid up capital (10,000) JD. It was established in 11 January 2018 and was registered at controller records under the No. (50156).
- The company is primarily involved in export and grinding and crashing all kinds of materials needed for cement industry, grinding Carbon and Pozzolana (except mining), White Clinker export and Clinker industry.
- The accompanying consolidated financial statements was approved by the Board of Directors in its meeting on 15 March 2026 .

2) Changes in Accounting Policies

The accounting policies applied by the Company in these financial statements for the year ended December 31, 2025, are the same as those applied by the Company in its financial statements for the year ended December 31, 2024, except for the following new International Financial Reporting Standards or amendments that become effective on an annual reporting year beginning on January 1, 2025:

Lack of exchangeability - Amendments to IAS 21

- For annual reporting periods beginning on or after 1 January 2025, Lack of Exchangeability - Amendments to IAS 21 the Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.
- The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position, and cash flows.
- The amendments had no impact on the Group's financial statements.

3) Significant accountant policies

Basis of preparation of the consolidated financial statements

- The accompanying consolidated financial statements are prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and the Interpretations issued by the International Financial Reporting Interpretations Committee.
- The consolidated financial statements are prepared in accordance with the historical cost principle, except for certain financial assets and financial liabilities which are stated at fair value as of the date of the consolidated financial statements.
- The consolidated financial statements are presented in JOD, which is the functional currency of the Group.

Principles of consolidation

- The consolidated financial statements comprise of the financial statements of the Group and its subsidiaries where the Group has the power to govern the financial and operating policies of the subsidiaries to obtain benefits from their activities. The financial statements of the subsidiaries are prepared for the same reporting year as the Group using consistent accounting policies. All balances, transactions, income, and expenses between the Group and its subsidiaries are eliminated.
- Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

**NORTHERN CEMENT COMPANY (HOLDING COMPANY) - CEMENT
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2025**

- The results of operations of the subsidiaries are consolidated in the income statements from the acquisition date, which is the date on which control over subsidiaries is transferred to the Group. The results of operation of the disposed subsidiaries are consolidated in the income statement to the disposal date, which is the date on which the Group loses control over the subsidiaries.
- The following subsidiaries have been consolidated:

	Share Capital	Currency	Principle activity	Ownership percentage 2025	Country Incorporation
White Stars for Mining Investments & Subsidiaries:	10,000	Jordan Dinar	Industrial	100%	Jordan
- Al Faiha Cement Company for Cement Industry and Rehabilitation of Industrial Projects	1,000	Jordan Dinar	Industrial	100%	Jordan
- Al-Faihaa North Cement Company is a Syrian private joint-stock company.	15,000,000	Syria Lira	Industrial	100%	Syria

Investment in Associate

- Associate is those in which the Group exerts significant influence over the financial and operating policy decisions.
- The considerations used to determine joint control are somewhat similar to those used to determine control over subsidiaries.
- The Group's investment in an associate is accounted for under the equity method.
- The investment in the associate is stated at cost, and the goodwill arising from the associate is recorded as part of the investment account and is neither amortized nor tested for impairment individually.
- The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the associate and any changes in the statement of comprehensive income for this investment are classified within the consolidated income statement of the Group. However, in the event of a change in the equity of the associate these changes if any are shown in the consolidated statement of changes in equity of the Group. Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.
- The Group's share of the profit or loss of the associate is viewed in the consolidated statement of comprehensive income.
- The carrying amount of the investment in the associate is adjusted to recognize the Group's share of changes in the net assets of the associate after the date of acquisition.
- The financial statements of the associate are prepared for the same reporting period as the Group, using consistent accounting policies.

Fair value of financial instruments

- Financial instruments comprise of financial assets and financial liabilities.
- Financial assets consist of cash and cash equivalents, checks under collection, account receivables and other debit balances, financial liabilities consist of notes payable, accounts payable and other credit balances.
- The fair values of financial instruments are not materially different from their carrying values.

Revenue recognition and Expense realization

- Sales revenue is calculated on the fair value basis of the arrested or expected allowance. Revenue is reduced with allocations for returns and downloads on sales and any other allocations.
- The revenue of sales of goods is recognized when all the following conditions are fulfilled:
- When the group transfer the risks associated with the ownership of the goods to Buyer.
- When the group no longer keeps the ownership of the goods as continuous administrative intervention and when the group is not in a position in which actual control over these goods.
- When economic benefits are likely to flow from the sale.
- When it is possible to calculate the costs that are incurred or will be incurred reliably.
- The commissions are registered as revenues when providing related services, and the group's shares' profits are recognized when they are achieved (approved by the general assembly for shareholders).
- Expenses are recognized on the accrual basis.

Income Taxes and National Contribution

- Income tax expenses represent current and deferred taxes for the year.
- Income tax expense is measured based on taxable income. Taxable income differs from income reported in the consolidated financial statements, as the latter includes non-taxable revenue, tax expenses not deductible in the current year but deductible in subsequent years, accumulated losses approved by tax authorities and items not accepted for tax purposes or subject to tax.
- Taxes are calculated based on the enacted tax rates according to the prevailing laws, regulations and instructions of The Hashemite Kingdom of Jordan.
- Deferred taxes are Taxes expected to be incurred or recovered as a result of temporary timing differences between the value of the assets and liabilities in the financial statements and their respective tax basis. Deferred taxes are calculated based on the liability method, and according to the rates expected to be enacted when it is anticipated that the liability will be settled or when tax assets are recognized.

Foreign currency

- Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in 'Jordanian Dinar', which is the Group's functional and presentation currency.
- Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.

Property, plant and equipment's

- Property and equipment are stated at cost net of accumulated depreciation and any impairment loss in its value, moreover Property and Equipment (except for land) are depreciated according to the straight- line method and Production units' method over the estimated useful lives when ready for use of these assets using the rates:

	<u>%</u>	
Buildings, squares & roads	4 - 10	
Machines & equipment	3 - 20	& Production units' method
Vehicles & Movable mechanism	15	
Furniture & Furnishings	9 - 15	
Leasehold improvements	15	

- When the carrying amount of property and equipment exceeds their recoverable value, assets are written down and impairment loss is recorded in the consolidated statement of income.
- The useful lives of property and equipment are reviewed at the end of each year, in case the expected useful life is different from what was determined before the change in estimate is recorded in the following years being a change in estimates.
- Property and equipment are derecognized when disposed or when there is no expected future benefit from their use.

Intangible Asset

- The intangible assets acquired are independently measured at the initial proof of cost. After initial proof, intangible assets are constrained by cost minus accumulated extinguishment and accumulated reduction losses, if any. Intangible assets developed internally, except for capitalized development costs, are not capitalized and charge expenses on the statement of profit or loss and other consolidated comprehensive income for the year in which you incurred.
- Intangible assets with a specific lifespan are extinguished over their estimated productive life and are reviewed for a decrease in their value when there is evidence of such a decline.
- Software: Software Intangible assets are programs and payments for the development of these programs that are extinguished over the estimated production life of 5 years.

Projects under construction

- The cost of projects under construction are accounted on actual cost basis and presented under property, plant and equipment item till these projects are ready to use, then they are transferred under property, plant and equipment and its depreciation starts to be accounted in accordance with expected useful lives.

Impairment Financial Assets

- The Group reviews the value of financial assets on the date of the consolidated statement of financial Position in order to determine if there are any indications of impairment in their value individually or in the form of a portfolio, in case such indications exist the recoverable value is estimated so as to determine the impairment loss.

Borrowing costs

- Borrowing costs directly attributable to the acquisition, construction or production of an asset the necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing of funds.

Inventory

- Inventories are stated at the lower of cost or net realizable value.
- The costs incurred to bring each item of Inventory to its current condition are calculated as follows:
- Raw materials and spare parts, Cost is determined by the weighted average method.
- Finished goods, raw material costs and other indirect expenses based on the manufacturing (production) stage using the weighted average method.
- Net realizable value represents the estimated selling price under normal circumstances after deducting the estimated cost of production and the estimated costs of making the sale.

Cash and cash equivalents

Cash and cash equivalents comprise cash on, and balances at banks and deposits at banks maturing within three months, less bank overdrafts and restricted balances.

Provisions

Provisions are recognized when the group has an obligation as of the date of the consolidated financial statements as a result of past events, the obligation is likely to be settled, and a reliable estimate can be made of the amount of the obligation.

Employee benefit obligations

• **Short-term employee benefits**

- Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.
- A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

• **Post-employment obligation**

- The Group operates a single post-employment benefit scheme of defined benefit plan driven by the labor laws and workman laws which is based on most recent salary and number of service years. The post-employment benefits plans are not funded. Accordingly, valuations of the obligations under the plan are carried out by an independent actuary based on the projected unit credit method. The costs relating to such plans primarily consist of the present value of the benefits attributed on an equal basis to each year of service and the interest on this obligation in respect of employee service in previous years.

- Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized directly in other comprehensive income and transferred to retained earnings in the consolidated statement of changes in equity in the period in which they occur. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Net interest expense and other expenses related to defined benefit plans are recognized in the consolidated statement of profit or loss.
- Changes in the present value of the defined benefit obligations resulting from plan amendments or curtailments are recognized immediately in consolidated statement of profit or loss as past service costs. End of service payments are based on employees' final salaries and allowances and their cumulative years of service, as stated in the labor law.
- The rate used to discount post-employment benefit obligations is determined by reference to market yields at the statement of financial position date on high quality corporate bonds. In countries where there is no deep market in such bonds, the market yield (at the end of the reporting period) on government bonds shall be used. The currency and term of the corporate bonds or government bonds shall be consistent with the currency and estimated term of the post-retirement benefit obligations. The Group uses the yield available on the bonds as a reasonable assumption or the discount rate.

Accounting Estimates

- The preparation of the consolidated financial statements and the application of accounting policies require the Group's management to make estimates and judgments that affect the
- amounts of assets and liabilities and disclose contingent liabilities. These estimates and judgments also affect revenues, expenses and provisions, and in particular requires the Group's management to make important judgments and assumptions to estimate the amounts of future cash flows and their times resulting from the conditions and circumstances of those estimates in the future. The estimates are necessarily based on assumptions and various factors that have varying degrees of estimation and uncertainty, and the actual results may differ from estimates as a result of future changes in the status and conditions of these provisions.
- The following are the group's most important estimates:
- Expected Credit Loss Provision on Trade Receivables: The expected credit loss provision on trade receivables is assessed based on assumptions and methodologies approved by the Group's management to estimate the required provision in accordance with the requirements of the International Financial Reporting Standards (IFRS).
- Income Tax Provision: The financial year is charged with the income tax expense attributable to it in accordance with the applicable laws, regulations, and accounting standards, and the necessary income tax provision is calculated accordingly.
- Useful Lives of Tangible and Intangible Assets: Management periodically reassesses the useful lives of tangible and intangible assets for the purpose of calculating annual depreciation and amortization, based on the overall condition of these assets and the estimated future useful lives. Any impairment loss, if identified, is recognized in the statement of profit or loss.
- Legal Provisions: Provisions are recognized to cover potential legal obligations based on the opinion of the Group's legal advisor.
- Provision for Slow-Moving Inventory: Group management estimates the provision for slow-moving inventory based on an actual assessment prepared by management and reviews it periodically in accordance with its internal policies.

4) Cash and cash equivalents

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Cash on hands	6,372	10,151
Petty cash	112,616	-
Cash at Banks	2,177,733	2,481,637
	2,296,721	2,491,788

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5) Account receivable

The group follows a policy of dealing with creditworthy parties and obtaining sufficient guarantees where appropriate, in order to reduce the risk of financial losses resulting from non-performance of obligations.

The details of the receivables' aging are as follows:

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
From 1 to 30 days	1,817,332	2,699,324
From 31 to 60 days	383,279	919,100
From 61 to 90 days	476,590	186,593
From 91 to 180 days	1,869,972	429,105
From 181 to 365 days	276,496	-
	4,823,669	4,234,122

6) Related Parties

Related parties represent major partners, directors and key management personnel of the group, and entities controlled or significantly influenced by such parties.

Pricing policies and terms of these transactions are approved by the group's management. Balances with related parties included in the financial statements are as follows:

Due from Related Parties	Nature of relationship	Nature of Activity	Transaction Amount JD	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Um Qaser	Associate	Financing	201,698	414,663	212,965

Due to Related Parties	Nature of relationship	Nature of Activity	Transaction Amount JD	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Northern Region Cement - KSA	Parent Company	Commercial / Financing	30,320,721	23,359,468	27,623,662

7) Inventory

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Raw materials	48,503,287	51,189,992
Finished goods	873,021	1,523,896
Packaging warehouse	648,697	541,550
Spare parts	4,240,905	4,569,077
Oil, grease and water warehouses	1,763	1,646
	54,267,673	57,826,161

8) Other debit balances

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Refundable deposits	193,142	131,469
Income tax deposit	111,808	109,430
Social security's deposit and others	2,034	3,109
Employee's receivables	123,836	98,549
Sales tax deposit	779,795	779,155
	1,210,615	1,121,712

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9) Property, plant and equipment

	Lands JD	Buildings, squares & roads JD	Machines & equipment JD	Vehicles & Movable mechanism JD	Furniture and decorations JD	Leasehold improve- ments JD	Total JD
Cost							
31 December 2024	1,327,406	16,088,789	39,455,155	1,673,967	684,029	229,055	59,458,401
Additions	4,868	1,950	260,379	64,977	6,893	-	339,067
Disposals	-	-	(18,056)	(40,040)	(4,915)	-	(63,011)
31 December 2025	1,332,274	16,090,739	39,697,478	1,698,904	686,007	229,055	59,734,457

**Accumulated
depreciation**

31 December 2024	-	9,973,783	20,575,543	1,350,158	520,035	51,679	32,471,198
Depreciation	-	506,033	668,230	91,005	33,740	34,358	1,333,366
Disposals	-	-	(14,831)	(40,040)	(4,915)	-	(59,786)
31 December 2025	-	10,479,816	21,228,942	1,401,123	548,860	86,037	33,744,778

Book value

31 December 2025	1,332,274	5,610,923	18,468,536	297,781	137,147	143,018	25,989,679
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	Lands JD	Buildings, squares & roads JD	Machines & equipment JD	Vehicles & Movable mechanism JD	Furniture and decorations JD	Leasehold improve- ments JD	Total JD
Cost							
31 December 2023	1,327,406	14,474,847	39,840,656	1,791,853	972,776	229,055	58,636,593
Additions	-	11,250	1,066,905	42,000	11,353	-	1,131,508
Disposals	-	-	(107,238)	(163,005)	-	-	(270,243)
Transfers	-	1,602,692	(1,345,168)	3,119	(300,100)	-	(39,457)
31 December 2024	1,327,406	16,088,789	39,455,155	1,673,967	684,029	229,055	59,458,401

**Accumulated
depreciation**

31 December 2023	-	9,000,103	20,123,794	1,430,987	719,881	17,320	31,292,085
Depreciation	-	505,844	780,343	92,991	34,300	34,359	1,447,837
Disposals	-	-	(70,279)	(163,005)	-	-	(233,284)
Transfers	-	467,836	(258,315)	(10,815)	(234,146)	-	(35,440)
31 December 2024	-	9,973,783	20,575,543	1,350,158	520,035	51,679	32,471,198

Book value

31 December 2024	1,327,406	6,115,006	18,879,612	323,809	163,994	177,376	26,987,203
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10) Intangible Asset

	Intangible Asset JD	Total JD
Cost		
31 December 2024	351,428	351,428
31 December 2025	351,428	351,428
Accumulated Amortization		
31 December 2024	119,943	119,943
Amortization	63,545	63,545
31 December 2025	183,488	183,488
Book value		
31 December 2025	167,940	167,940

	Intangible Asset JD	Total JD
Cost		
31 December 2023	311,971	311,971
Transfers	39,457	39,457
31 December 2024	351,428	351,428
Accumulated Amortization		
31 December 2023	20,855	20,855
Amortization	63,648	63,648
Transfers	35,440	35,440
31 December 2024	119,943	119,943
Book value		
31 December 2024	231,485	231,485

11) Projects under construction

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Balance at the beginning of the year	2,574,129	2,566,958
Additions during year	5,509,721	1,063,636
Transfers	(258,024)	(1,056,465)
Ending balance of the year	7,825,826	2,574,129

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12) Investment in associates

	Ownership percentage	Country of incorporation	Main Activity	31 DECEMBER 2025	31 DECEMBER 2024
Umm Qasr	%20	Iraq	Industrial	2,889,438	2,509,081

The movement of the Investment in associates was as follows:

	Umm Qasr	
	2025	2024
Current assets	12,171,825	12,354,576
Non- current assets	47,141,002	39,621,559
Current liability	(44,865,635)	(39,430,730)
Equity	14,447,192	12,545,405
Share Company's in equity	%20	20%
Carrying number of Investment in associates	2,889,438	2,509,081
Umm Qasr	2025	2024
The group share of the profits of Investment in associates	399,197	491,035
Group share of other comprehensive income	(18,840)	1,069
	380,357	492,104

The movement of the Investment in associates was as follows:

	Umm Qasr	
	2025	2024
Revenues	20,549,553	24,679,139
Cost of Sales	(19,379,524)	(22,798,915)
Administrative expenses	(139,555)	(156,115)
Selling and distribution expenses	(218,559)	(258,370)
Other Revenues	1,184,069	989,440
Comprehensive income for the year	1,995,984	2,455,179
Share Company's in equity	%20	20%
Share of comprehensive income	399,197	491,035
Other comprehensive income		
Foreign currency translation reserve	(94,198)	5,346
Share of other comprehensive income	(18,840)	1,069

13) Income tax and national contribution

Northern Cement Company

- The Northern Cement Company is classified at the Income and Sales Tax Department within the industrial companies, as its main activity is limited to the cement industry, and therefore it is subject to an income tax of 20% of the tax income after deducting the acceptable expenses according to the income tax law in effect. The company is registered in the Income and Sales Tax Department under Income tax number (16602820) and sales tax number (16602820).
- In compliance with Tax Law 38 for 2018, National Contribution Tax was in forced with 1% of taxable income.
- The income tax was calculated for the year 2025 accordance with Jordanian Income Tax Law No. (38) Of 2018.
- The income tax rate in Jordan is 20% plus 1% national contribution tax.
- The tax return for the year 2024 ,2023 has been submitted, however, the returns have not been reviewed by the Income and Sales Tax Department until the date of these financial statements.
- The Income and Sales Tax Department accepted the tax returns for the years 2022, 2021.
- The Company has reached to a final settlement with the Income and Sales Tax Department up to the end of the year 2020.
- The movement of the income tax and national contribution provision was as follows:

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Beginning balance of the year	487,748	729,733
Income tax and national contribution expense	661,097	698,888
Paid income tax and national contribution expense	(878,323)	(940,873)
Ending balance of the year	270,522	487,748

White Stars Mining Investments Company

- No income tax provision has been calculated for the year ended 31 December 2025 accordance with Jordanian Income Tax Law No. (38) Of 2018 due to no revenue or operating activity.
- The income tax rate in Jordan is 20% plus 1% national contribution tax.
- The Income and Sales Tax Department accepted the tax returns for the year 2024.
- The tax return for the year 2021,2022,2023 has been submitted, however, the returns have not been reviewed by the Income and Sales Tax Department until the date of these financial statements
- The Company has reached to a final settlement with the Income and Sales Tax Department up to the end of the year 2020.

14) Other credit balances

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Advance payments from customers	636,825	131,429
Accrued expenses	54,422	19,970
Employee benefits allowances	386,027	392,641
Employee Income Tax and consultant deposit	19,184	30,927
Social security deposit	48,341	50,979
Other credit and deposits	651,255	364,889
Sales tax deposit	715,977	809,193
	<u>2,512,031</u>	<u>1,800,028</u>

15) Equity

Share capital

The authorized and share capital of the Company is JD 55,000,000 divided into 55,000,000 shares at JD 1 per share.

Dividends

The general assembly of Northern Cement Company (holding company) - cement in its ordinary meeting held on 29 April 2025, approved the recommendation of company board of directors to distribute 4.175% of JD 1 per value as cash dividend through retained earnings.

Statutory reserve

Statutory reserve is allocated according to the Jordanian Companies Law by deducting 10% of the annual profit before tax for parent company until the reserve equals 25% of the Company's subscribed capital. However, the Company may, with the approval of the General Assembly, continue to deduct this annual ratio until this reserve equals the subscribed capital of the Company in full. It also includes what was transferred at a rate of 10% of the annual profits before taxes during the year and the previous years to the subsidiary company White Stars for Mining Investments, such reserve is not available for dividends distribution. The General Authority may, after depletion the other reserves, decide at an extraordinary meeting to resolve the accumulated losses from the amounts collected in the Statutory reserve account, provided that they are rebuilt in accordance with the provisions of the Law.

The Statutory reserve balance reached 25% of the group's capital as of 31 December 2025.

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16) Cost of Sales

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Finished Goods at the beginning of the year	1,523,896	1,457,607
Direct material used	34,387,825	32,435,196
Manufacturing cost (16/A)	10,332,120	9,652,682
Depreciation	1,242,244	1,355,209
Finished Goods at the ending of the year	(873,021)	(1,523,896)
	46,613,064	43,376,798

(16/A) Manufacturing Expense

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Salaries	2,565,731	2,559,213
Group's contribution to social security	226,501	243,894
Water and electricity	5,519,718	4,705,799
Maintenance	549,905	622,510
Fuels	136,233	139,263
Telephone and postage	5,107	6,762
Health insurance	250,287	228,865
Stationery and printing	834	1,050
Machinery and Car expenses	107,532	106,625
Transportation of employees	93,111	97,926
Security and Protection	62,510	68,032
Hospitality	2,578	3,583
Sample Analysis	53,135	49,264
Others	91,896	76,304
Rent	35,172	24,355
Uniform	19,948	18,697
Cleaning	379,267	351,450
Projects	152,243	256,674
Factory Insurance	56,863	58,293
Meals	16,727	13,043
Membership and Subscriptions	6,822	21,080
	10,332,120	9,652,682

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17) Selling and Distribution Expenses

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Salaries	161,212	194,178
Group's contribution to social security	16,103	18,886
Cars' expenses	2,874	1,583
Others	6,745	4,848
Electricity, water, postage, and telephone	4,236	1,865
Hospitality	841	852
Health insurance	13,077	13,891
Stationery and printing	723	479
Local and Foreign transportation	285,274	400,702
Selling expense	177,940	230,090
Traveling	3,519	3,346
Non-deductible Tax Expense	815	4,867
Exhibitions and Conferences	42,291	3,087
Membership and Subscriptions	59,030	67,867
	774,680	946,541

18) General & Administrative expenses

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Salaries and bonuses	1,260,076	1,194,419
Group's contribution to social security	95,161	82,524
Water, electricity and telephone	29,031	25,337
Stationery and printing	2,695	2,860
Cars' expenses	31,995	29,289
Exhibitions and Conferences	36,192	7,614
Traveling	25,949	7,446
Rents	23,317	21,086
Professional and legal fees	104,040	279,519
Hospitality	18,980	11,095
Health insurance	72,935	54,251
Maintenance	12,450	4,890
Fees and licenses	16,273	6,162
Currency differences	24,754	171,237
Computers' expenses	4,487	4,960
Cleaning	75,887	61,474
Donations	12,586	24,920
Membership and Subscriptions	96,214	89,055
Others	28,190	54,072
Depreciation & amortization	154,667	156,276
	2,125,879	2,288,486

19) Risk management

Interest Price Risks

Interest rate risk arises from the possibility that changes in interest rates will affect a group's profit or the fair value of financial instruments. Since most financial instruments carry fixed interest rates and are stated at amortized cost, the sensitivity of a group's profit and equity to changes in interest rates is considered immaterial.

Currency risks

Currency risk relates to the risk of changes in currency rates that relate to payments denominated in foreign currencies. As for transactions in Jordanian dinars, US dollars and Saudi riyals, while the exchange rate of the Jordanian dinar and the Saudi riyal is pegged to a fixed rate against the US dollar, balances in US dollars do not represent significant risks of foreign exchange fluctuations and the sensitivity of the Group's loss and equity to changes in foreign exchange rates is considered immaterial.

Credit Risk

Credit risk relates to the other party's inability to meet its contractual obligations leading to the incurrence of losses by the Group and these risks arise mainly from trade receivables.

The carrying value of financial assets represents the maximum exposure to credit risk at the reporting date was as follows:

	31 DECEMBER 2025 JD	31 DECEMBER 2024 JD
Cash at banks & Petty cash	2,290,349	2,481,637
Checks under collection	4,003,140	7,443,918
Accounts receivable	4,823,669	4,234,122
Due from related parties	414,663	212,965
Other debit balances	1,210,615	1,121,712
	12,742,436	15,494,354

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group reputation.

The table below summarizes the distribution of financial liabilities (undiscounted) as of December 31, based on the remaining contractual maturity and current market interest rates:

	Less than one year JD	More than one year JD	Total JD
31 DECEMBER 2024			
Post dated Checks	9,834	-	9,834
Accounts Payable	1,737,032	-	1,737,032
Income tax provision and national contribution	487,748	-	487,748
Shareholder Deposits	3,173,094	-	3,173,094
Other Credit Balances	1,800,028	-	1,800,028
Due to Related Parties	-	27,623,662	27,623,662
Provision for employee benefits	-	1,054,457	1,054,457
	7,207,736	28,678,119	35,885,855
31 DECEMBER 2025			
Post dated Checks	57,389	-	57,389
Accounts Payable	3,425,846	-	3,425,846
Income tax provision and national contribution	270,522	-	270,522
Shareholder Deposits	3,173,340	-	3,173,340
Other Credit Balances	2,512,031	-	2,512,031
Due to Related Parties	-	23,359,468	23,359,468
Provision for employee benefits	-	1,348,759	1,348,759
	9,439,128	24,708,227	34,147,355

20) Segmental Information

A. Information on the Group's Activities

For management purposes segments are measured based on reports used by the Group's executive management and chief decision-maker, based on the main segments, which include the provide cement sales and manufacturing services.

B. Information on Geographical Distribution:

This note represents the geographical distribution of the group operations. Moreover, the group conducts its operations mainly in the Kingdom, representing local operations, and it also operations outside the Kingdom.

21) Contingent liabilities & Cases

A) Contingent liabilities

At the date of the consolidated financial statements, the company was responsible for:

	2025	2024
	JD	JD
Bank Guarantee	<u>56,950</u>	<u>56,950</u>

B) Cases

At the date of the financial statements, the company was Cases for:

	2025	2024
	JD	JD
Cases	<u>1,827,225</u>	<u>1,827,225</u>

With reference to case No. (4148/2023) filed before the Amman Court of First Instance by the plaintiffs Ali Aqil Ali Kazem and Shatt Al-Arab Cement Trading Company against Northern Cement Company P.L.C. and other defendants regarding a financial claim of 1,727,225 JD in addition to a claim for compensation for damages, loss of profit, and benefit estimated at 100,000 JD for fee purposes. The Amman Court of First Instance issued its decision in the case on 20 March 2024, ruling as follows: "Dismissing the claim against Northern Cement Company due to the failure to prove the activation and validity of the agreement in question between the plaintiffs and the company, Dismissing the claim against the remaining defendants due to a lack of proper standing and Imposing court fees, expenses, and an amount of (1,000 JD) as attorney's fees on the plaintiffs". The plaintiffs have appealed the decision before the Amman Court of Appeal. We have submitted a reply memorandum to the appeal. However, we have not yet been notified of any confirmation regarding the registration of the case before the Court of Appeal. We believe that the company and the remaining defendants have a very strong legal position in this matter.

22) Capital Management

The primary objective of the group's capital management is to ensure that it maintains capital ratios in order to support its business and maximize shareholder value.

The group manages its capital structure and makes adjustments to it in light of changes in business conditions.

Capital comprises share capital, Statutory reserve, Other Equity and retained earnings, and is measured at 70,492,449 JD as at 31 December 2025 (2024: 70,438,492 JD).

23) Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective:

Amendments to the Classification and Measurement of Financial Instruments Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only.

The amendments are not expected to have a material impact on the Group's financial statements.

Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to address the accounting and disclosure requirements for contracts referencing nature-dependent electricity, such as wind, solar, and hydro power. These amendments aim to provide clearer guidance on the classification, measurement, and recognition of these contracts, which are inherently variable due to their dependence on natural conditions. The changes seek to improve the consistency and comparability of financial statements by clarifying whether such contracts should be treated as financial instruments or executory contracts and how they should be measured. Additionally, the amendments enhance disclosure requirements to provide greater transparency about the risks and financial impacts associated with these contracts, thereby offering users more relevant and reliable information. This initiative supports the global transition to renewable energy by addressing the unique accounting challenges posed by nature-dependent electricity contracts.

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, but will need to be disclosed.

The amendments are not expected to have a material impact on the Group's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

This standard will result in new presentation of the income statement with some new required totals, in addition to the disclosure of management-defined performance measures.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The amendments are not expected to have a material impact on the Group's financial statements.

Translation to a Hyperinflationary Presentation Currency - Amendments to IAS 21

In November 2025, the Board issued Translation to a Hyperinflationary Presentation Currency - Amendments to IAS 21. The amendments require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.

If an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the date of the most recent statement of financial position.

An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29, to the foreign operation's comparative figures.

The amendments also introduce certain additional disclosure requirements.

The amendments apply for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted.

24) Comparative figures

Some of the comparative figures for the year 2024 have been reclassified to correspond with the year ended 31 December 2025 presentation and it did not result in any change to the last years operating results.